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Film Policy, the Chinese Government and Soft Power

Yanling Yang

Abstract

This article examines how the Chinese ruling party understands the role of film and how film policy has been used to promote China's soft power. It firstly explores shifts in policy over a period of 60 years in order to identify the government's overall approach to the film industry. Then it investigates 'Zou Chu Qu' Policy, the so-called 'Going-Out Policy', specifically aimed at promoting soft power. This article argues that although the role of the film industry has been adjusted in response to developments in Chinese society, the principle function of film as a tool of propaganda, along with the broader censorship system, have not fundamentally changed. Such policy arrangements have resulted in a tension between the 'attraction' of soft power and the state's attraction to censorship. Consequently, there currently seems little room for Chinese films to contribute to China's soft power in any meaningful way.

Keywords: film, culture industry, Chinese government, soft power,

Introduction: the significance of soft power to China

Joseph Nye (2004: ix) coined the term 'soft power' to describe 'the ability to get what you want through attraction rather than coercion or payments'. Specifically, he points to three primary sources of soft power: culture, political values and foreign policy (2004: 11). By contrast, military, economic, and technological strength are defined as sources of hard power (2004: 2–11). Nye further indicates that soft power relies on credibility, which means that if information is suspected to be propaganda, its credibility, along with its potential to generate soft power influence, is lost (Nye 2011: 83). The concept of soft power has gained widespread visibility in the last decade, both amongst academics and national political elites. Rawnsley, for example, observes that China has embraced the idea of soft power with an overwhelming enthusiasm (Rawnsley 2012). Soft power is important to China for two main reasons: firstly it is considered to mitigate the so-called 'China threat theory' and create a friendlier international environment more conducive to the country's development; secondly, it is considered to be an asset in the

maintenance of the Party's national power and thus a support to domestic stability (Blanchard and Lu 2012, Li 2008).

On the international front, soft power is considered to be important to the state's attempts to 'refute the China threat theory' and to maintain a stable and peaceful international environment for China's development (Li 2008: 300). During the past two decades, the rapid growth of China's military, economic and political power has exacerbated tensions in international politics. Many international relations analysts believe that China's rise may disrupt the balance of power in the current global geopolitical landscape, challenging the US in particular (Kurlantzick 2007). For example, political scientist John Mearsheimer argued in his book *The Tragedy of Great Power Politics* (1998) that there was great potential for war by 2020, with China emerging as a key destabilising force. Moreover, scholars have argued that Chinese leaders are under extreme pressure to deal with many internal social issues which might harm the ruling position of the Communist Party of China (CPC) and disrupt domestic stability. These include the extreme inequalities in wealth and environmental destruction related to China's rapid industrial development (Hunter 2009: 381). The idea of soft power thus emerged at the right time to provide Chinese ruling elites with an umbrella concept, 'a convenient set of claims and prescriptions', which the government felt could be instrumentalised strategically to ease fears abroad concerning its rise, as well as to maintain social stability in China (Hayden 2011: 169). Chinese leaders, including former President Hu Jintao and his successor Xin Jinping, have put a good deal of emphasis on the role to be played by soft power in China's statecraft.

With the rapid growth of the Chinese film industry and the prestigious international awards that Chinese films have won at international festivals during the past decade, the Beijing authorities consider cinema to have great potential to promote China's soft power overseas. Table 1 shows the astonishing development of the Chinese film industry from 2001 to 2015. It is worth noting that in 2013 the Chinese film industry became the world's second largest market, worth 21.7 billion China Renminbi (CNY), approximately 3.3 billion US Dollars (USD) in box-office revenue, accounting for 10% of the global film market (MPA and CFPC

2014).¹ More interestingly, Chinese cinema is expected to overtake North America to become the prime market for films in 2017 (Pulver 2015).

Year	Number of feature films	Box office (billion USD)	Number of cinemas	Number of screens
2001	88	0.13	-	-
2002	100	0.15	875	1581
2003	140	0.14	1108	2296
2004	212	0.23	1188	2396
2005	260	0.31	1243	2668
2006	330	0.40	1325	3034
2007	402	0.51	1427	3527
2008	406	0.67	1545	4097
2009	456	0.95	1687	4723
2010	526	1.56	2000	6256
2011	558	1.95	2803	9286
2012	745	2.62	3000	13118
2013	638	3.34	3903	18196
2014	618	4.56	4409	23600
2015	686	6.76	8027	31627

Table 1: Overview of the Chinese film industry, 2001-2015.

Compiled by the author from various sources: 2001-2013: Film Bureau (MPA and CFCP 2014: 43); 2014: China.net (2015); 2015: *Variety* (2016).

In order to understand how the Chinese government seeks to employ film to generate soft power, it is necessary to explore the interaction between the government and the film industry in general (Johnson 1996: 134-35). The four-fold typology of patronage of culture proposed by

¹ Box office data is provided in USD for analytical and comparative purpose. Chinese local currency box office trends may differ due to exchange rate fluctuations. According to Bloomberg, the 52-week *exchange rate of USD to CNY* varied from 6.2083 to 6.7047. Therefore, this research adopts 6.5 as the average exchange rate between USD and CNY (<http://www.bloomberg.com/quote/USDCNY:CUR>) [Accessed 10 March 2016].

Chartrand and McCaughey (1989 cited in Bell and Oakley 2015: 116) is very useful in this respect.

State's role	Model country	Policy objective	Funding system
Facilitator	US	Diversity	Tax exemption
Patron	UK	Excellence	Arm's-length ² arts councils
Architect	France	Social welfare	Ministry of Culture
Engineer	Soviet Union	Political education	Ownership of means of artistic production

Table 2: Models of national support for the arts. Source: Bell & Oakley (2015:116)

As Table 2 shows, there are a variety of roles available to governments in relation to their cultural industry and these can be grouped into four categories. Firstly, the US is a typical example of a 'Facilitator State' that uses incentives such as tax exemption rather than prescriptive regulation; secondly, the UK represents a 'Patron State' in its role of 'devolving cultural policy implementation to so-called arm's-length bodies'; thirdly, the French government acts as an 'Architect State' that aims to improve its social welfare by using bureaucracy as a regulatory agency; and fourthly, aiming at 'political education', the former Soviet Union operated as an 'Engineer State' in charge of 'the means of artistic production' with the state interfering directly in content production (Bell and Oakley 2015: 116). Meanwhile, based on the assertion that censorship is the most noticeable symbol of an 'Engineer' type of state, China is assumed to follow in the footsteps of the former Soviet Union, in that it operates a strict censorship system in governing its cultural production in general and films in particular. The transformation and development of the Chinese film industry can be divided into three distinct periods: 1. the era of nationalisation (1949-1976) when the film industry was nationalised and subsidised by the state; 2. the era of reform (1977-2000) which saw the decentralisation and opening up to the film industry to the market; and finally 3. the World Trade Organisation (WTO) era (2001 onwards) when the film industry underwent major reforms and expansion (Yin 2009). Since censorship can be regarded as the most representative

²Arm's-length refers to keeping a degree of distance between government and artists: 'The British government (and other fellow users) is able to distance itself from thorny decision-making, while the cultural sector is to some extent insulated from government meddling (allegedly, at least)' (Bell and Oakley 2015: 123).

factor of an 'Engineer State', the function of film and the transformation of China's censorship mechanisms will be discussed further here. Moreover, I will investigate the results of China's film policy, focussing in particular on its outputs and its so-called 'external communication' (*Duiwai Jiaoliu*), or how the industry communicates with the rest of the world, a particular emphasis in recent policy interventions, defined as China's 'Going-Out Policy'. I will look at how this has changed during key periods in the Chinese film industry's development.

The era of nationalisation 1949-1976: film at the service of politics

Analyses of the period spanning the foundation of the People's Republic of China (PRC) in 1949 to the end of China's Cultural Revolution in 1976 have evidenced in great detail how film was used straightforwardly as a political tool by the Communist Party (Clark 1987). Film was considered by the Party as a tool for mass education, in a similar fashion to the way it was understood in the Soviet Union at that time (Zhang 2004). The relationship between the state and the film industry was consolidated by means of the centralisation of film production, distribution and exhibition, and the provision of state subsidies. This organisational structure remained intact for nearly three decades because of the stability of the 'same basic institutional and discursive paradigm' in terms of the state's governance (Berry 2004: 27-8). Under these circumstances, Chinese film policy sought 'to present a work of art only as an illustration of a current political slogan, and only as propaganda for Mao's instruction and slogans' (cited in Chen 1994: 27).

Censorship and the film licensing system were also established during this period. In the 1950s, all films had to be approved by the appropriate authority before they could be shown to audiences (Berry 2004: 31, Hu and Yao 1989: 11-3). General guidelines concerning which types of films would be banned were also provided as follows: 1. those which were deemed to be anti-Communist, anti-Soviet, and anti-human rights; 2. films that were considered to propagate imperialism (including racism) and feudalism; 3. films that had pornographic content or any films that were deemed to contravene any of the state's laws or policies (Hu and Yao 1989: 12). At the same time, the film licensing system was introduced by the Film Guidance Committee in order to 'strength[en] the centralised system by setting up specific ideological

and artistic standards for films [by] examining completed films and distribution figures' (Clark 1987: 35).

Although general guidelines were provided on the types of films that were considered inappropriate, there were no clear set of standards. Both the censorship and licensing regulation systems were too abstract to be followed entirely consistently and there were 'so many leaders and so much examination along the way' (Clark 1987: 44) that, as a result, a huge space was left for political intervention. For example, twelve films were banned in 1951. The first film of these, *The Life of Wuxun* (1951), is a typical case of the 'absolute supremacy of politics over art' in Chinese cinema history at the time (Zhang 2004: 198). The film is about a beggar, named Wuxun, who sets up free schools for poor children during the Qing dynasty. At the time of its release it won critical and popular acclaim, but after Chairman Mao criticised it openly for 'insanely promoting feudal culture [and] misrepresenting Chinese culture', the film was banned nationally (Zhang 2004: 198).



Figure 1: *The life of Wuxun* (Yu 1951)

Source: [Accessed 10 March 2015] image available from <https://www.google.co.uk/search?q>

The film licensing system was based on command from above and responded to government orders rather than market demands (Berry 2004: 9). This had a serious impact on the domestic industry. Figure 2 shows that the number of films made during this period grew from just 10

in 1949 to 101 in 1959. Then, in the space of less than a decade this figure had decreased to just 12. At the start of the Cultural Revolution, in the period from 1966 to 1969, no films were produced, and numbers were still low in the early 1970s. The film industry started to recover by the end of Cultural Revolution, producing 37 films in 1976.

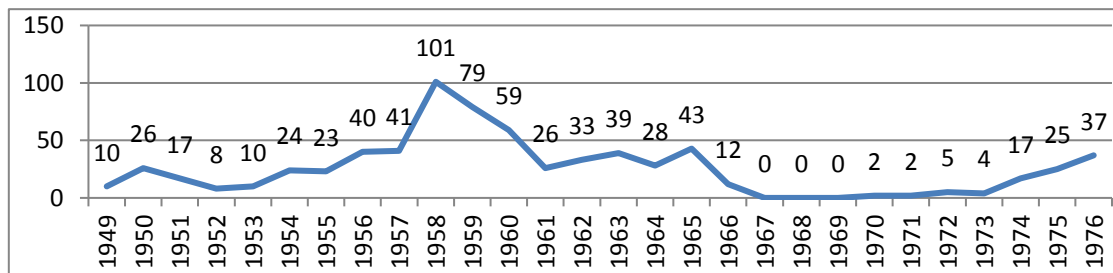


Figure 2: Chinese feature film production: 1949-1976 (Clark 1987)

In terms of film promotion overseas, during the period 1950 to 1976, the focus was on cultural exchange, using Chinese propaganda films to introduce the newly established PRC to other socialist countries such as the Soviet Union and its Eastern European satellites (Yang et al. 2009). Thus, the propaganda film *The White Haired Girl* (1950) was widely promoted abroad by the government. Its main theme was to praise the good life within the new society under the rule of the CPC, while criticising the previous Kuomintang regime.



Figure 3: *The White-Haired Girl* (Khoua and Wang 1950). Source: [Accessed 10 March 2015] image available from <http://cn.hujiang.com/new/p538464/>

By the end of 1965, China had set up extensive overseas contacts in the film sector with about 90 countries. State institutions were the only organs permitted to distribute films abroad and their main initiatives consisted principally of attending international film festivals and holding Chinese Film Weeks overseas (Huang and Hu 2012: 23-6). However, these external communication channels were seriously affected by the start of the Cultural Revolution in 1966. As Figure 2 shows above, not a single film was made from 1967 to 1969, nor was any film made before 1966 permitted to be shown overseas during the Cultural Revolution period. This time was called the ‘frozen period’, as the external communication channels that China had built up with the world before the Cultural Revolution, in which film had played an important role, were almost completely shut down at this time (Huang and Hu 2012: 26).

The era of reform and opening up 1977-2000

Looking at the period from the end of China’s Cultural Revolution until 2000, when China joined the WTO, the ‘economic mechanism reform’ the country underwent during this period had a deep impact on the film industry. Film’s role as a propaganda tool that could represent the class struggle was abandoned (Chen 1994: 95). In order to accede to the viewing tastes of the people and the market, a variety of film genres began to be supported in addition to more traditional propaganda films. Here we might mention, for instance, the popular entertainment film *The Dream Factory* (Feng Xiaogang, 1997), which was shown all over the country. According to Tang, popular films of this kind accounted for 70% of market share during this period (Tang 2008: 161).

However, this greater diversity of film production, along with a new aspiration to make films that were profitable, did not eliminate political propaganda and the ideological function of Chinese film for the government. During this period, so-called ‘Main Melody’ films were the CPC’s predominant mechanism of ideological control, their ‘patriotism, collectivism and socialism’ (China Film Yearbook 1994: 13) focusing largely on praising the glorious history and leadership of the CPC. The guideline entitled ‘Suggestion on Current Prosperous Literary and Artistic Creation’ in 1991, stipulated that the Chinese government should take responsibility for supporting and subsidising Main-Melody films (Chu 2010: 105–107). The

Party State put great effort into designing particular policies, granting state-level awards and offering exclusive funding to support this cinematic genre. As the Chinese government invested heavily in promoting this particular genre of films, one can consider these activities as a form of ‘soft censorship’ (Bell and Oakley 2015: 126) rather than hard or direct censorship. Zhao has argued that the ‘state’s more aggressive strategy to elevate the status of the culture industry is an attempt to dissolve the political dimension of the media into the less politicised area of culture and further to define the party’s political interest as the public interest’ (Zhao 2008: 109-10). *Life after the Departure of Leifeng* (1996) is an example of Main-Melody film. Produced by a state-owned enterprise (SOE), the film tells the story of how the selfless spirit of Leifeng, a national hero who although dead could still inspire his friend to change his life.

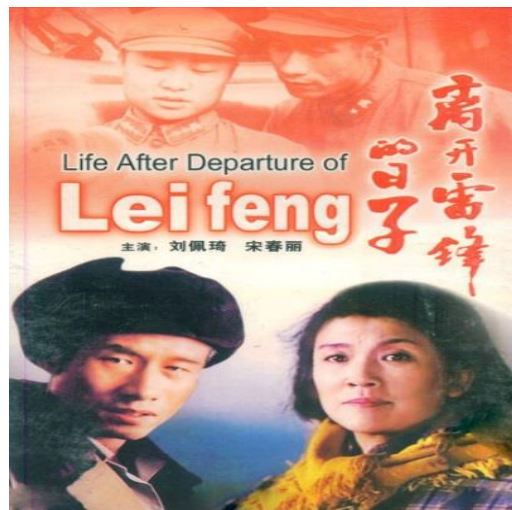


Figure 4: *Life after Departure of Leifeng* (Lei and Kang 1996)

Source: [Accessed 20 August 2015] available from <https://www.google.co.uk/search?q>

The regime still regarded film as a useful ideological tool for educating the masses. In order to maintain its legitimacy, the CPC made tremendous efforts to strike a balance between facilitating the film industry’s development and repackaging its own propaganda apparatus. In 1996, the first set of ‘Regulations on the Administration of Films’ stipulated that ‘China shall adopt a censorship system; film may not be produced, distributed, exhibited, imported nor exported without examination and approval by the Film Administration Institution of China’. In addition, film studios were required to register with this institution in order to gain a production license. However, these legal provisions were too abstract to be effectively

implemented. Since there was no explicit consensus about regulating the content of films, other than that everything had to be approved by the Film Administration, those in the film industry were often unclear about what was actually permitted or forbidden. Therefore, many films were banned by the Chinese authorities without any clear explanation for their decisions, including *To Live* (1994, dir. Zhang Yimou) and *Blue Kite* (Tian Zhuangzhuang, 1993). Even though the film *Farewell My Concubine* (Chen Kaige, 1993) gained awards at many prestigious international festivals, such as the Golden Globes in the US and the Cannes Film Festival in France, it was still banned because it touched upon themes of homosexuality and the Chinese Cultural Revolution.



Figure 5: *Farewell My Concubine* (Chen 1993)

Source: [Accessed 10 March 2016] image available from <https://www.google.co.uk/search?q>

In response to radical changes in the political, cultural and economic sectors, the film industry underwent comprehensive reform during this period, including the de-nationalisation of film production, distribution and exhibition. This led to economic reform and an overall opening up of the industry. The most fundamental change was that, for the first time, non-SOEs were permitted to participate in the film market. The Chinese government urged non-state actors, such as private enterprises, social institutions, even individuals, to invest in film production. Another fundamental change was that the state re-opened the film market to foreign financial investment from Hong Kong and Taiwan, which had both been banned from participating in the Chinese market for over three decades. As Figure 6 shows, during this period, the Chinese film industry considerably increased its output. At the start of this period in 1977, just 19 films

were produced. This rose dramatically, peaking at 170 in 1992. According to some film experts, it was China's reform that led to the growth of the national film industry and the promotion of Chinese film overseas (Yang et al. 2009: 12).

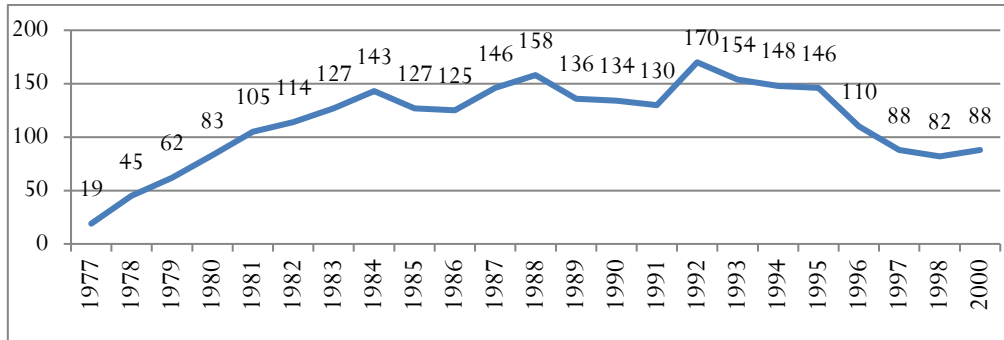


Figure 6: Feature film production 1977 to 2000 (Yin and Wang 2004, Clark 1987: 185)

Regarding film promotion, as Table 3 shows, impressive improvements were made to the promotion of Chinese films abroad particularly in the early part of this period. In 1981, for example, Chinese films were exhibited 682 times in 34 nations and regions.

Year	Nations & regions	Number of films exhibited
1981	34	682
1982	53	541
1983	62	364
1984	52	457
1985	41	395
1986	74	393
1987	/	533
1988	41	512
1989	34	350
1990	/	299
1991	/	412
1992	45	206
1993	16	121
1998	/	170

Table 3: Chinese film exhibition abroad since 1980s (He 2012: 107-10).

This era marked a transformational period for Chinese film in the international sphere. Apart from propaganda films, new types of Chinese films emerged on the international stage. The so-called ‘fifth generation’ of Chinese directors started to attend international film festivals and win awards, not only energising the Chinese film industry, but also alerting the world to a new wave of Chinese cinema. The fifth-generation descriptor is mainly used to refer to the first Post-Cultural Revolution graduates from the Beijing Film Academy in the early 1980s. Unlike the propaganda-style Chinese films of the earlier period, the aesthetic and political stance of films such as *Yellow Earth* (Chen Kaige, 1984) and *Red Sorghum* (Zhang Yimou, 1987), were considered internationally to be ‘innovative, introspective and retrospective, often digging deep into Chinese culture and human nature’ as it had been shaped by an extraordinary period of social change (Jeff 2016).

The WTO period 2001 to present day: the strategic function of film

With China’s entry into the WTO in 2001, important changes occurred in the country that had a profound impact on the film industry. On the one hand, the state acknowledged the important strategic function of the cultural industries in statecraft, and declared it would invest in these in order to strengthen its national power. It was during this era that discussion around the concept of soft power emerged. In terms of the film industry, further decentralization of film production, distribution, and exhibition followed. This included inviting private and transnational investment, and by 2013 China had developed into the second biggest film market in terms of box office. On the other hand, and contrary to views that China was now fundamentally market-driven (Zhu 2002), although the CPC accepted the commoditised nature of film, it still continued to operate a sophisticated system of regulation and censorship in order to reinforce its overall control of the film industry.

In the report of the Party’s 16th National Congress in October 2002, the CPC acknowledged the strategic significance of the cultural industry and indicated the need to develop this in order to enhance overall national strength. Thus it was clear that the Party considered culture to be a key national strength, as important as its hard power resources (its economic might, military power etc.). However, this change in policy at the time, a change that is still in effect today,

did not mean that the state was ignoring the role that film can play in political ideology. President Hu Jintao emphasised that ‘all those working with China’s film industry should stick to the correct political direction all the time, and keep their sense of social responsibility to further the prosperity of China’s film industry’ (The Independent 2006). Therefore, the argument posited by some scholars that the Chinese film industry has been ‘completely transformed from a state-owned industry to a market-driven entity’ or that the ‘state has withdrawn its ideological control from film production’ seems doubtful (Zhu 2002).

The CPC continued to use the censorship and licensing system to impose comprehensive regulation on the film industry, initially through its executive branch the State Administration of Radio, Film and Television (SARFT), and now through its successor organisation the State Administration of Press, Publishing, Radio, Film and Television (SAPPRFT). The aim of these organisations was, and is, to ensure that ‘politically correct films are made and distributed’ (Rosen 2002: 96). Meanwhile, the licensing system guarantees state intervention in film production, distribution and exhibition. SARFT has the right to prohibit any production not having prior approval, and every single film must pass through censorship before obtaining a distribution license. For example, although it won a Silver Bear Award at the Berlin Film Festival, the Chinese film *Beijing Bicycle* (Wang Xiaoshuai 2001) was banned in mainland China. This was not because it deals with any sensitive content but because it did not wait to receive the Chinese authority’s approval before attending film festivals.

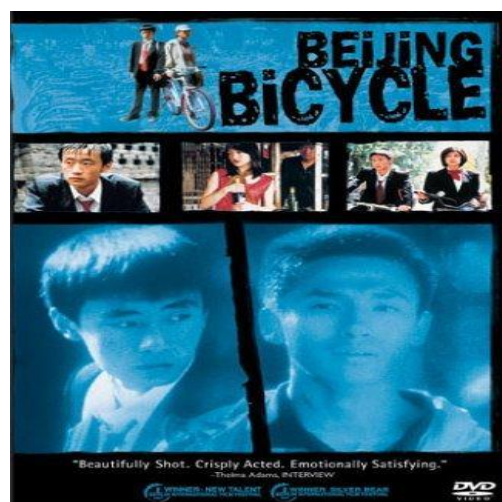


Figure 7: *Beijing Bicycle* (Wang 2001)

Source: [Accessed 8 January 2016] image available from

<http://www.imdb.com/title/tt0276501/mediaviewer/rm3265371136>

The film authorities have not given up using cinema to propagate political ideology but have adjusted their strategy in relation to the political use of film. Here one might mention, for example, the state-funded film *The Founding of a Republic* (Han Sanping and Huang Jianxin 2009), which was made to coincide with the 60th anniversary of the CPC founding of China. Some of China's most famous film stars, including Jackie Chan, Jet Li and Zhang Ziyi, were cast in the roles of the CPC founders to ensure box-office appeal and figures suggest this tactic was very successful. *Xin Hua News Agency* viewed it as a successful example of the Main-Melody genre: 'this film achieved widespread attention and a spread propaganda message effectively [...] a very successful combination of political propaganda and box office performance' (Xinhuanet 2009).



Figure 8: *The Founding of a Republic* (Han and Huang 2009)

Source: [Accessed 18 March 2015] image available from <https://www.google.co.uk/search?q>

The Chinese film industry has made remarkable breakthroughs since 2000. The regime has issued a range of regulations intended to encourage non-state actors to engage in the development of the film industry across the value chain of production, distribution and exhibition. From the production perspective, the most important change was the release of the 'Interim Provisions on Operation Qualification Access for Movie Enterprises' (Known as Document No. 43) which was issued by SARFT in 2004. Following the release of this document, international investors were granted permission to invest in the Chinese film production sector, although their ownership was limited to less than 49%.

While the above measure encouraged non-state actors to contribute to the development of the Chinese film industry, at the same time SOEs continued to enjoy privileges in certain areas. For example, although the state council issued guidance in 2010 on the promotion of wealth-creation and the development of the film industry to encourage non-state actors to invest in the film industry, treating non-state actors on equal terms with state actors, state actors still receive many more benefits, further evidence of China’s ‘soft censorship’. In the case of film distribution, for example, only two SOEs, Huaxia Distribution Co., Ltd. (henceforth Huaxia) and the China Film Group Co., Ltd. (henceforth China Film) are eligible to make large profits by importing foreign films (mainly Hollywood blockbuster films) to China. Neither Hollywood film studios nor private or international participators are allowed to challenge this privilege. As a result, there is still no competition in the field of distributing foreign films into the Chinese market.

Once China became a member of the WTO in 2001, Chinese film production increased more-or-less steadily year-on-year. Figure 9 shows the stunning growth of Chinese feature film production over the period from 2001 to 2015.

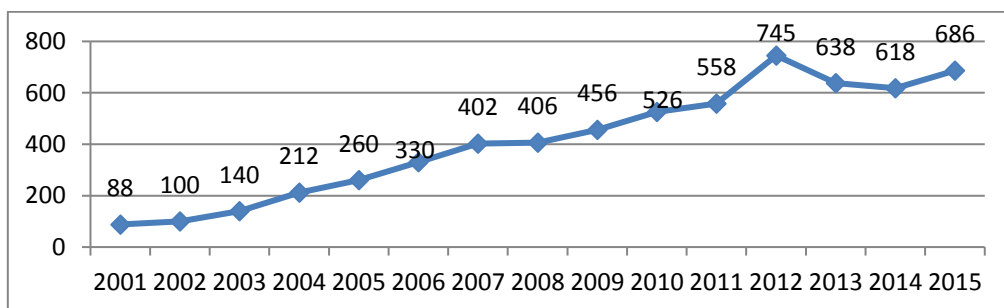


Figure 9: Feature film production from 2001 to 2015.

Source: 2001-2013 (Yin 2013), 2014: China.net (2015); 2015: *Variety* (2016)

Such a remarkable growth in film production and international market share brought international attention to China’s film industry. It is predicted to become the biggest film market by 2020 (Pulver 2015). The Chinese government has begun making great efforts to encourage Chinese film distribution overseas. In 2009, the ‘Plan for Promotion of the Cultural Industries’ was issued. As this was the first specific plan targeting China’s cultural industries, it indicated that these were seen as being of strategic importance, forming a core part of China’s

soft power strategy, the state now starting to encourage the promotion of Chinese culture on the international stage. Subsequent to this, in 2010, the State Council issued ‘Guidelines on Facilitating the Development of the Film Industry.’ This calls for the active promotion of Chinese film abroad, and the enhancement of national cultural soft power. This reflects the state’s intention to establish a more detailed mechanism for encouraging and supporting the dissemination of Chinese film abroad. It is at this point that China’s ‘Going-Out Policy’ begins to emerge.

However, in comparison with the rapid growth of Chinese film in the domestic market, the number of films exhibited overseas has increased relatively slowly, as Table 4 shows. Prior to 2006, less than 400 Chinese films were exhibited abroad; this then rose to over 450 annually, reaching a peak in 2013 when Chinese films were exhibited 951 times in 48 nations and regions.

Year	Nations & regions	The number of film exhibited
2001	12	About 100
2002	16	More than 110
2003	15	110
2004	27	More than 240
2005	25	218
2006	38	480
2007	26	605
2008	29	474
2009	47	647
2010	35	578
2011	44	485
2012	40	576
2013	48	951
2014	44	452

Table 4: Annual Chinese film exhibitions overseas, 2001-2014 (Calendar year from January 1 to December 31).

Compiled by the author from different sources: 2001-2007 (Luan 2008); 2008-2010 (Liu 2010); 2011-2014 (Huang and Hu 2012: 240, Huang and Huang 2013: 323, Huang and Yang 2014: 219, 2015: 200)

Based on all of the above, it is clear that the Chinese government has played a significant role in leading the transformation of the film industry over the past six decades, gradually opening up the film market and adjusting film policies according to the prevailing circumstances. However, the centralised political system, the perception that culture is an ideological tool, and the government's top-down approach to policy has not fundamentally changed (Shan 2014). The principal function of film continues to be that of ideological tool, and this has impacted on the ways in which film can be used to project China's soft power.

The 'Going-Out Policy' and China's soft power

We now turn to a detailed analysis of 'Zou Chu Qu', China's so-called 'Going-Out Policy'. Here I argue that China's decision makers have deployed film to spread China's cultural soft power. The 'Going-Out Policy' is in line with the historical trajectory of China's film policy, in that it is fully controlled by the government and retains film's political propaganda function. The 'Going-Out Policy' was proposed by the Chinese President Jiang Zemin (1993-2003) during the reform period discussed above. He argued that Chinese enterprises should venture abroad and later developed a strategy that was intended to 'expand exports, go out further to do business and increase foreign exchange earnings' (Chen 2008). The 'Going-Out Policy' was then further emphasised in the 11th (2006-2010) and 12th Five-Year Plans (2011-2015) as an important way to 'improve the image of China abroad and build up its soft power; to present and disseminate Chinese culture around the world'.

The government has played a strategic and leading role in developing and implementing China's 'Going-Out Policy'. In the case of the film industry, this process commenced in 2001 with the promulgation of 'Implementation Rules for the Going-Out Project (Trial)' by SARFT. This document stated that the primary objective of film 'going out' was to 'disseminate China's voice to the world, especially North America and West European, to show the real China, and China's attitude, views and opinions on key international issues' (SARFT 2001).

The new version of ‘Regulations on the Administration of Films’ was issued and expanded to 13 articles in 2001 as compared with the 8 articles of the 1996 version. Both sets of regulations forbade the production, distribution and exhibition of films without official permission and in case of contravention of these regulations, the administrative institutes would ‘impose a fine on a film production entity and revoke its license and even resort to pressing criminal charges’ (Chu 2010: 116). The new version listed more specific details. For example, it listed that the penalty for anyone who showed a Chinese production abroad without permission: ‘any entity or individual whose license has been revoked is forbidden from engaging in any film activities, such as film production, importation, exporting, distributing and projection for five years’ (Chu 2010: 116).

Additionally, the government issued a series of policies calling for Chinese film to ‘going-out’, or actively seek foreign distribution. In subsequent years, the Chinese government issued several more regulations. These marked the intention to establish a more direct implementation system of governance over the ‘Going-Out Policy’ than had existed hitherto (Shambaugh 2013: 174-75). For example, in April 2011, the Ministry of Culture also enacted ‘The General Plan for the Promotion of Cultural Goods and Services Going-Out 2011-2015’. In October 2011, the Sixth Plenary session of the Communist Party Congress passed the ‘Resolution of the CPC Central Committee on Major Issues Pertaining to Deepening the Reform of the Cultural System and Promoting the Great Development and Flourishing of Socialist Culture’. These documents emphasised the need to accelerate the development of China’s cultural industry and encouraged cultural institutions to expand overseas (CPC Central Committee 2011).

With all these officially sanctioned ‘Going-Out’ statements, it is clear that the Chinese authorities believed in the potential for film to play a major role in supporting this policy and of, consequently, for film to support the state’s efforts to generate and project soft power. Already in the document ‘Implementation Rules of the Going-Out Project (Trial)’ issued by SARFT in 2001, Article 3 introduces four channels by which Chinese film was to be distributed overseas: 1. by holding Chinese film exhibitions or festivals; 2. by attending international film festivals; 3. by strengthening co-production connections and 4. by inviting world-famous

producers to visit China. Meanwhile, the regulation also emphasised that all those working within China’s film industry should maintain the correct political ideology at all times.

Based on the transformation of China’s film policy and the objectives of the ‘Going-Out Policy’, the approaches that have been officially endorsed for Chinese films going overseas are: 1. the organisation of Chinese film exhibitions events; 2. participation in film festivals; 3. the global export of Chinese film based on encouraging international releases at film theatres, on DVD, on TV, and the Internet. These approaches are summarised in Figure 10 below:



Figure 10: Officially endorsed approaches to support Chinese film ‘Going-Out’.

It is important to note that these three approaches involve various levels of government intervention, assistance and subsidies. All three approaches also imply a consensus among Chinese policy makers, international soft power researchers and Chinese film experts that they view the global visibility of film on the international stage as the crucial precondition for film to be successful in promoting the nation’s soft power.

The challenge to China in its soft power ambitions for film

China has to face the dilemma created by the tension between its need for censorship, on the one hand, and its wish for credibility with international audiences on the other. As an

authoritarian regime, China's political ideology is different from the West's political values. The CPC insists on promoting a socialist core value system and controlling the public by means of 'propaganda and ideology' (Xinhuanet 2013). The CPC's view that culture is essentially an ideological tool has not fundamentally changed since the party took power in 1949. As a result, the Party's rigid political ideology and perception of culture create a dilemma for those involved in promoting China's cultural soft power overseas. Although the Chinese authorities increasingly seek to employ cultural instead of political values in its engagement with international audiences, this is still hindered by its domestic political ideology.

Leading scholars of soft power have highlighted the issue of China's political values as the main factors that limit China's soft power, citing its 'domestic political censorship' (Nye 2012: 154), its 'repressive political' system or the restriction of 'free expression within China itself' (Shambaugh 2015). The censorship issue clearly creates a negative image that damages China's cultural soft power. Zhang Yimou, the famous Chinese director, complains that 'films about contemporary China [are] neutered by the censors' (Nye 2012: 154). This is evidenced very clearly in the state's recent treatment of the film *Touch of Sin* (Jia Zhangke, 2013). The film was adapted from four true incidents involving ordinary people driven to violence by social conflicts in contemporary China. Although it won the Best Screenplay Award at the Cannes Film Festival and therefore enjoyed high visibility on the international stage, it is still yet to be screened in mainland China. Although the authorities have not commented on why the film has not been screened, one might surmise that this results from the fact that this film is 'a compelling epic about people driven to extremes by the pain of modern life' (Kermode 2014). This case, moreover, reveals the lack of transparency with regard to censorship in China. The film was simply banned, without any explicit explanation.

Since the CPC has not abandoned its view that film is an ideological tool, a position which it feels required the continued employment of a censorship system, it finds it difficult to build credibility with foreign audiences, leading to a lack of credibility for China's soft power on the international stage (Nye 2015). This is emphasised in international soft power indexes, which invariably suggest that political issues constrain China's soft power. For example, the IfG-Monocle Soft Power Index regards individual freedom and political criticism as two of the main factors that impact negatively on China's soft power. 'Soft Power 30' regards China's

low ranking in its soft power league table partly to be a result of the kind of censorship outlined above (Portland 2016). *Nye* observes that ‘great powers try to use culture and narrative to create soft power that promotes their advantage, but it is not always an easy sell if it is inconsistent with their domestic realities’ (*Nye* 2012: 155). Or, as *Geoff Dyer* explains, ‘there is no international audience for brittle propaganda’ (*Dyer* 2010). As a result, the Chinese authorities have to face the fact that the kinds of films they support domestically do little to challenge negative perceptions of the country internationally; they do little to generate soft power.

Conclusion: the conflict between ‘attraction’ of soft power and ‘censorship’

This article has reviewed China’s style of film regulation in the context of promoting Chinese film abroad, as well as analysing the changing relationship between the Chinese government and the national film industry, from the establishment of PRC in 1949 to the present. This has highlighted the fact that the government of China has attempted to formulate its film policy in response to the development of Chinese society and its film industry on the one hand. On the other hand, the CPC has sought to strengthen its legitimacy to rule and successfully transformed itself into ‘not only [...] helmsman of economic development, but also [...] the tycoon of the cultural industry’ (*Brady* 2009: 201-02).

The Chinese film industry has been transformed from a highly centralised industry to a hybrid industry: operating under both party ideology and market demands within a strictly regulated governance framework. The Party has managed to strengthen competition within the Chinese film industry in the domestic market whilst still maintaining a tight grip on culture generally and the film industry specifically. In contrast with other national models for facilitating cultural industries, evidence has demonstrated that China is a typical ‘Engineer State’ (*Bell and Oakley* 2015: 116) in that it employs a censorship mechanism.

Furthermore, based on the available evidence, I also argue that although China itself and its film industry have undergone many reforms and developed progressively, the state still fundamentally regards film as an instrument of ideology and controls it tightly by means of a

complex censorship mechanism with the aim of achieving its political agenda. It is also clear that, although the government has opened a space for non-state actors to participate in the film industry, findings suggest that the Beijing authorities still privilege SOEs over non-SOEs in this sector.

Finally, this article explored the role of film in the so-called ‘Going-Out Policy’ and how this relates to China’s soft power ambitions. This policy is in line with the historical trajectory of the state’s film policy. The core issue is that all Chinese films exported overseas need to gain prior approval by the government. This leads to a tension between China’s domestic political ideology, enforced by censorship, and its credibility on the international stage. In the process, it seems there is limited room for film genuinely to promote China’s soft power.

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